

AMENDED IN SENATE MAY 4, 2004

AMENDED IN SENATE APRIL 16, 2004

SENATE BILL

No. 1524

Introduced by Senator Vincent

February 19, 2004

An act to amend Section 19858 of the Business and Professions Code, relating to gambling.

LEGISLATIVE COUNSEL'S DIGEST

SB 1524, as amended, Vincent. Gambling Control Act.

The Gambling Control Act provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the enforcement of those activities by the Division of Gambling Control within the Department of Justice. Under that law, a person is deemed unsuitable to hold a state gambling license, a requirement for owning a gambling establishment, if that person, or any partner, officer, director, or shareholder of that person, has a financial interest in a business or organization engaged in any form of prohibited gambling, as specified. Publicly traded racing associations, qualified racing associations, and specified corporate licensees of these entities are exempt from that restriction.

This bill would delete that exemption *and instead specify that the provision is not to be construed to authorize a publicly traded company to own an interest in a gambling establishment, except as specified.* The bill would also create an exception to the provision deeming a person unsuitable to hold a state gambling license, ~~when a specific form of~~

~~gambling is not prohibited when conducted on federal Indian lands if the gambling activity was not illegal where conducted.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19858 of the Business and Professions
- 2 Code is amended to read:
- 3 19858. (a) A person shall be deemed to be unsuitable to hold
- 4 a state gambling license to own a gambling establishment if the
- 5 person, or any partner, officer, director, or shareholder of the
- 6 person, has any financial interest in any business or organization
- 7 that is or has engaged in any form of gambling prohibited by
- 8 Section 330 of the Penal Code, whether within or without this
- 9 state, ~~except where a specific form of gambling is not prohibited~~
- 10 ~~when conducted on federal Indian lands., which gambling activity~~
- 11 ~~was illegal where conducted.~~
- 12 (b) *This section may not be construed to authorize a publicly*
- 13 *traded company to own any interest in a gambling establishment,*
- 14 *except as provided in subdivision (b) of Section 19852. .*

